

**VERMONT STATE TEACHERS' RETIREMENT SYSTEM**  
Meeting of the Board of Trustees – Conference Call, Treasurer's Conference Room  
**June 9, 2022 – 3:30 p.m.**

Please note all members participated via telephone, video, or teleconference:

**Members present:**

JON HARRIS, Chairperson, VRTA representative, term expiring July 1, 2024  
ERIN CARTER, Active Member Representative, term expiring July 1, 2023  
DANIEL RADDOCK, Financial Regulation Representative  
BETH PEARCE, VT State Treasurer  
EMILY SIMMONS, representing Secretary of Agency of Education  
GENEVIEVE HAMBY, Active Member Alternate Representative, term expiring July 1, 2025  
PERRY LESSING, VRTA Alternate Representative, term expiring July 1, 2024

**Members absent:**

SANDRA MINGS-LAMAR, Active Member Representative, term expiring July 1, 2025

**Also attending:**

Tim Duggan, Director, Vermont Retirement Systems  
Stephen Barry, Financial Administrator I, Retirement Division  
Owen Doherty, Executive Assistant to the Treasurer  
Ashlynn Doyon, Director of Outreach and Financial Literacy  
Scott Baker, Financial Reporting Director  
Steve May, Hickcock and Boardman  
Barry Blixt, Hickcock and Boardman

The Chair, Jon Harris, called the Thursday, June 9, 2022, Board meeting to order at 3:38 p.m. which was held by conference call and in-person at the Treasurer's Conference Room, Pavilion Building, 4<sup>th</sup> Floor, 109 State Street, Montpelier, VT.

**ITEM 1:      Agenda approval and announcements**

**On a motion made by Ms. Pearce, seconded by Ms. Carter, the Board voted unanimously to approve the agenda.**

**ITEM 2:      Approve the Minutes of:**

- May 10, 2022

Ms. Hamby noticed a typo in the spelling of her name which will be corrected.

**On a motion made by Ms. Hamby, seconded by Ms. Pearce, the Board voted unanimously to approve the minutes of May 10, 2022 as amended.**

**ITEM 3: ADEC Adjustment Request**

Ms. Pearce discussed the effects of the passage of Act 114 on the ADEC (Actuarially Determined Employer Contribution) for FY23 that the Board voted on in their October 28, 2021 meeting. She explained that after actuarial analysis of the final bill, the savings estimates to the FY23 ADEC used during the Legislative appropriations process were overstated by about \$800 thousand. Ms. Pearce explained that the Board needed to revise the total ADEC to true the estimated and actual savings from Act 114 with the recommendation by the Board.

Discussion revolved around one-time payments mandated by Act 114, the role of the Board in changes to the COLA as enacted by Act 114, and the deviation of the working estimates and the final actuarial calculations.

**On a motion made by Ms. Pearce, seconded by Ms. Carter, the Board voted unanimously to revise the October 28, 2021 recommendation to the Governor and General Assembly to adjust the FY23 actuarially determined employer contribution (ADEC) of \$205,161,651 to \$194,961,651 as calculated in the June 3, 2022 memo from Segal and recommend the appropriation reflecting the ADEC and any adjustments for federal or local revenues.**

**ITEM 4: GASB 68 and GASB 75 Follow-up**

Mr. Baker presented the GASB 68 and GASB 75 Governance letters to the Board. He stated that the auditors did not find any inaccuracies or misstatements.

Ms. Doyon and Mr. Baker left the meeting at 4:07 p.m.

**ITEM 5: VBA Update/VSTRS 65 Resolution**

**On a motion made by Mr. Raddock, seconded by Ms. Carter, the Board voted to enter into executive session at 4:07 p.m. to discuss the VSTRS 65 Contingency resolution because premature general public knowledge about the resolution would clearly place the Board at a disadvantage.**

The Board came out of executive session at 4:25 p.m.

**On a motion made by Ms. Carter, seconded by Ms. Simmons, the Board voted unanimously to approve the Agreement with VBA regarding the VSTRS 65 population as presented by staff and to authorize the Chair to execute the Agreement on behalf of the Board.**

**ITEM 6: VEHI Update**

Mr. Duggan updated the Board on the ongoing rate increases to the non-Medicare population. He provided historical context of rate increases in conjunction with proposed rates for CY 2023, and emphasized the effect of these on ending the subsidy fee being paid.

Mr. Duggan said that staff is working with Hickcock and Boardman and VEHI to analyze the filing. He informed the Board an off-schedule meeting will likely be needed to discuss the filing.

Mr. May and Mr. Blixt left the meeting at 4:32 p.m.

**ITEM 7: Appoint Secretary of the Board**

Mr. Duggan recommended the Board to appoint Stephen Barry as Secretary of the Board.

**On a motion made by Ms. Pearce, seconded by Ms. Simmons, the Board voted unanimously to appoint Stephen Barry as Secretary of the Board.**

**ITEM 8: Retirement Division Staffing and Summer Updates**

Mr. Duggan provided an update on the operations of the Retirement Division. He expects the number of retirements this July to be on par with last year's numbers for both state employees and teachers.

Mr. Duggan also updated the Board on the implementation of Act 114 within the office. One major challenge continues to be staffing. Mr. Duggan also announced that the Retirement Division was able to bring Tina Forrend and Cynthia Webster back to assist with the high-volume season and that a new front office staff member has been hired. The Treasurer's office is also actively recruiting for a new Staff Attorney. He introduced Briana Howard who will take on the role of managing disability cases.

**ITEM 9: Other Business and Announcements**

Mr. Duggan announced that Linda Deliduca's son contacted the office to share an invitation with the Board for her celebration of life. Mr. Barry will circulate this invitation with Board members.

**ITEM 10: Adjournment**

**On a motion made by Ms. Pearce, seconded by Ms. Carter, the Board voted unanimously to adjourn at 4:47 p.m.**

**Next Meeting Date:**

The next VSTRS Board meeting is on July 14, 2022 at 3:30 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'S B' followed by a stylized flourish.

Stephen Barry  
Secretary of the Board  
Financial Administrator I